

FILED
SUPREME COURT
STATE OF OKLAHOMA

AUG - 5 2022

Plaintiff/Appellee,

JOHN D. HADDEN
CLERK

Y.

Supreme Court No.120597

Premier Global Corporation;

Premier Factoring, LLC;

Oklahoma County District Court

Premier Factoring Group, LLC; PF-2, LLC;

CJ-2021-4397

PF-3, LLC; PF-4, LLC; PF-5, LLC; PF-6, LLC;

and PF-7, LLC,

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

Defendants/Appellants.

AUG - 5 2022

RESPONSE OF OKLAHOMA DEPARTMENT OF SECURITIES
TO PETITION IN ERROR

WICK WARREN
COURT CLERK

47

Is appellee willing to participate in an attempted settlement of the appeal by predecisional conference under Rule 1.250?

X	YES	NO
---	-----	----

Attached as Exhibit “A” is the statement of the case of the Appellee, Oklahoma Department of Securities

In accelerated appeals from orders granting motion for summary judgment or motion to dismiss **only** appellee shall either file the counter-designation of record, if any, with the response to the petition in error, or shall also file concurrently with response any supplement to record on accelerated appeal. See Rule 1.36(e)(1) and (2).

DATE: August 5, 2022.

Verified by:

Patricia C. Laub

Patricia A. Labarthe, OBA No. 10391

Email:

plabarthe@securities.ok.gov

smullins@securities.ok.gov

jshaw@securities.ok.gov

Firm:

Oklahoma Department of Securities

Address:

204 N. Robinson Avenue, Suite 400

Oklahoma City, OK 73102

Telephone:

(405) 280-7700

CERTIFICATE OF MAILING TO ALL PARTIES AND COURT CLERK

I hereby certify that a true and correct copy of the *Response of Oklahoma Department of Securities to Petition in Error* was mailed this 5th day of August, 2022 by depositing it in the U.S. Mail, with postage prepaid and by electronic mail to:

Amelia A. Fogleman
John D. Russell
Andrew J. Hofland
GABLE GOTWALS
110 North Elgin Avenue, Suite 200
Tulsa, OK 74120
afogleman@gablelaw.com
jrussell@gablelaw.com
ahofland@gablelaw.com
Attorneys for Defendants/Appellants

I further certify that a copy of the *Response of Oklahoma Department of Securities to Petition in Error* was mailed to, or filed in, the Office of Oklahoma County Court Clerk on the 5th day of August, 2022.


Patricia A. Labarthe

Exhibit “A” – Statement of the Case

After months of unsuccessful negotiations with Appellants, Appellee filed an *Application for Order Enforcing Administrative Subpoenas and Authority in Support* pursuant to §1-602 of the Oklahoma Uniform Securities Act of 2004 in October 2021. Appellee sought an order requiring Appellants to produce all subpoenaed invoice factoring records and requested an injunction and civil penalty. At a March 2022 hearing, the court ordered that all responsive documents be produced to Appellee by June 2, but chose not to impose sanctions at that time. By June 2, Appellants did not produce a single document. On June 10, Appellee filed an *Emergency Application for Equitable and Other Relief*. On June 13, the court heard arguments and again ordered Appellants to fully comply by July 1. The court clearly stated that the injunction and civil penalty would be granted for failure to fully comply. On July 1, Appellants produced a limited and inadequate number of records thereby failing to produce the life cycle of the invoices, described by Appellants in the two previous hearings, as necessary to understand the factoring activity in question. Appellants provided no affidavit to indicate completion of the production and no list briefly identifying each document or material and its custodian, as required by the subpoenas. On July 8, Appellee filed a *Motion for Sanctions* and the court issued an order imposing an injunction and civil penalty as it previously warned. Appellants filed a motion to vacate or stay.

From the outset, Appellants had notice that failure to comply with the August 2020 subpoenas could result in the sanctions ultimately imposed by the court. Appellants have had three opportunities before the court and filed multiple pleadings to address their noncompliance. A fourth hearing is set for August 19 in response to Appellants’ motion to vacate. To conclude, nearly two years after the lawful issuance of the subpoenas, Appellants continue to circumvent a regulatory investigation commenced to protect the investing public.